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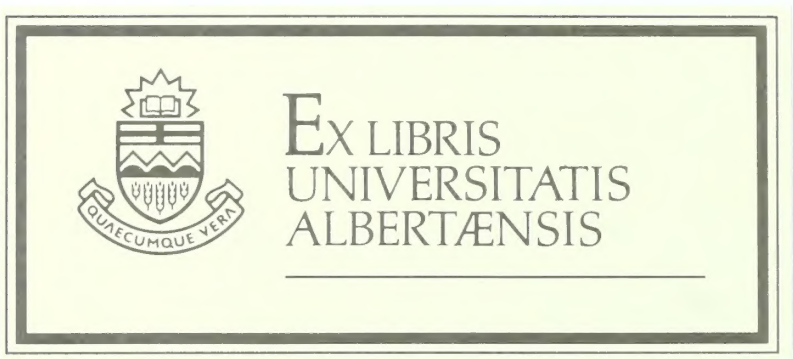
ANNUAL REPORT 1984~85

MOUNT ROYAL COLLEGE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April, 1986

The Honourable Dick Johnston
Minister
Alberta Advanced Education
127 Legislature Building
Edmonton, Alberta
T5K 2B6

Sir:

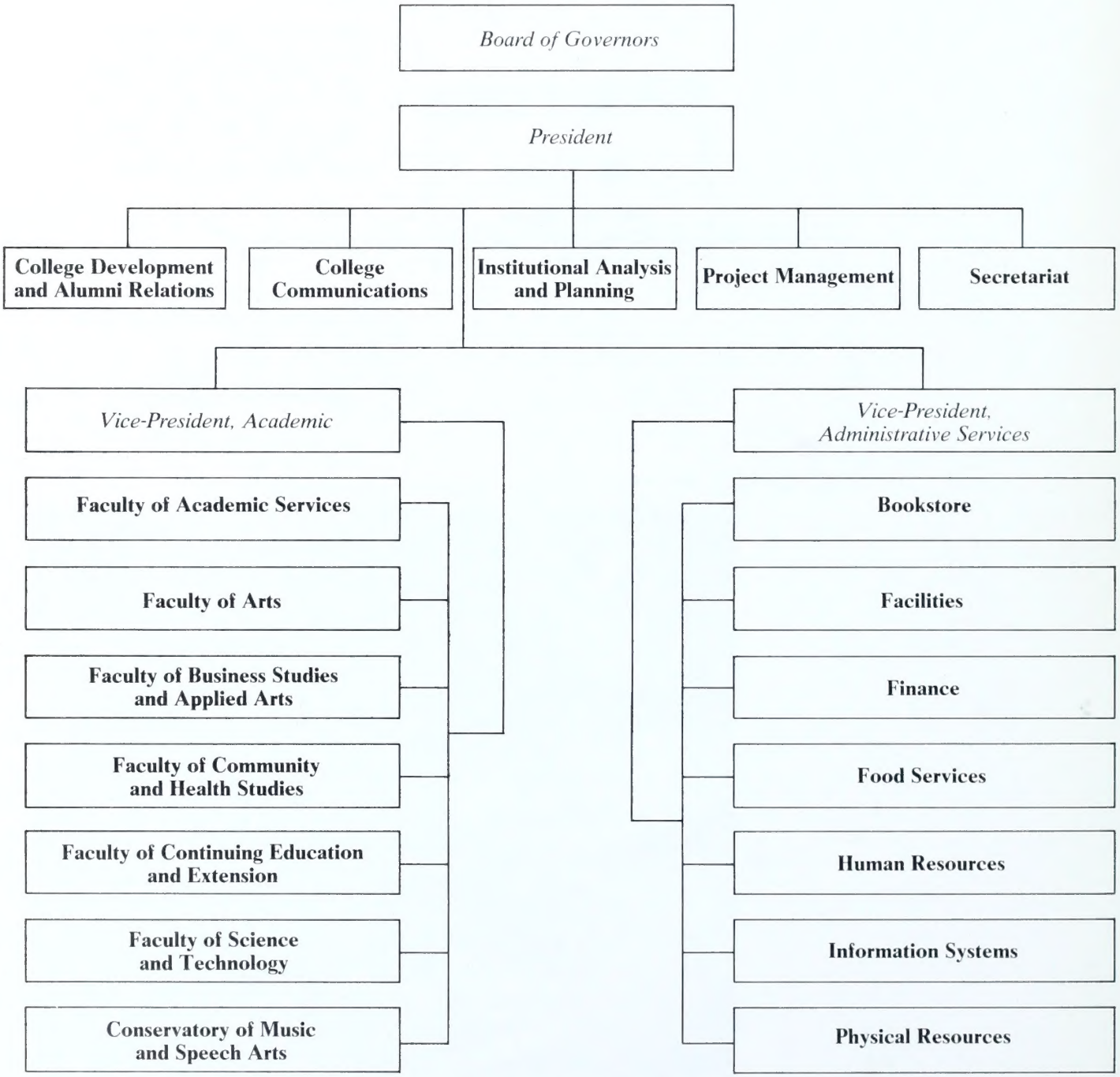
On behalf of the Governors of Mount Royal College, and in accordance with the provisions of the Colleges Act, we have the honour to transmit the annual report of Mount Royal College for the year ending June 30, 1985.

UNIVERSITY OF ALBERTA
JUL 31 1986
GOVERNMENT
PUBLICATIONS

Roy V. Deyell, Q.C.
Chairman, Board of Governors

Donald N. Baker, Ph.D.
President

ORGANIZATION CHART
AS AT JUNE 30, 1985



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Editor: Cathy Evans

While every effort has been made to ensure that information published in this report is accurate, errors may have been made. Please forward inquiries to Public Relations and Information Services.

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1986

BOARD AND COMMITTEES

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Joanne L. McLaws, Vice-Chairman
Donald N. Baker, President
Edward R.R. Carruthers, Q.C.
B. Jean Fraser
Phyllis M. Laidlow
Larry B. Lee (to May 1985)
J.W. (Bill) McManus
Fred A. Miles
Paul M. Pressel (from May 1985)
Bartlett B. Rombough
Douglas E. Thomson

Finance and Property Committee

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Donald N. Baker
Roy V. Deyell, Q.C.
Phyllis M. Laidlow
Larry B. Lee (to May 1985)
Joanne L. McLaws
Bartlett B. Rombough

Personnel Committee

B. Jean Fraser, Chairman
Donald N. Baker
Roy V. Deyell, Q.C.
J.W. (Bill) McManus
Fred A. Miles
Douglas E. Thomson

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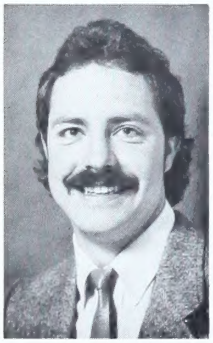
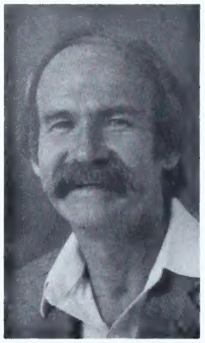

Larry B. Lee

J.W. (Bill) McManus


Fred A. Miles

Bartlett B. Rombough

Douglas E. Thomson

PRESIDENT'S REPORT

Since its inception in 1911, Mount Royal College has continued to evolve in response to changing community educational needs and to changes in scholarship and pedagogy.

It is still changing, and changing rapidly. It is growing very rapidly in size as its facilities expand and as it takes more of its programs off campus and into the community. The arrival of the electronic information age is affecting both the way we teach and how our students learn, and the amount of information available to everyone. New technology is enhancing the possibilities for independent self-paced learning both on and off campus.

Increasingly we are discovering that the rapid change in society is requiring us to focus on developing life-long learning skills in our students, even in short-term career-oriented programs. The idea of education as something one experiences for a short period, once and for all, is no longer adequate. Today the College's goal is to make each student as much of a self-starting life-long learner as possible, in order to give him or her the mental tools necessary for coping with a fast-changing world. At the same time, recognizing the educational needs arising from a dynamic society, we have also begun aiming our programs and services at people of all age ranges.

In fulfilling our mandate, we are committed to the pursuit of excellence, which we define as eliciting extraordinary performance from ordinary people as well as extraordinary performance from extraordinary people. It is our aim to foster the development of each student to the maximum of his or her ability. We see ourselves as being in the human resources business, and that means that we seek to maximize the potential of adults at various levels of ability.

To keep pace with the society around it, the College is committed to planning carefully to ensure that in the years to come it will be as successful in meeting the changing educational needs of the community as it has been in the past 75 years.

Donald N. Baker
President

MOUNT ROYAL COLLEGE A YEAR IN REVIEW: 1984-85

Throughout its 75 years of operation, Mount Royal College has maintained the philosophy that an educational institution has a responsibility that extends beyond the confines of the classroom.

The College has a commitment to students, to the community in which it operates and to the people who comprise the institution that is reflected in what we teach, how we teach and where we teach. The search for excellence in education is a long-standing tradition at Mount Royal College, and in 1984-85 that tradition provided a firm foundation for the College to reach out to meet today's challenges.

Several accomplishments and events highlight the year:

- The College maintained a record enrolment level, with 4,626 full-time equivalent (FTE) students in credit programs, 20,005 registrants in non-credit Continuing Education and Extension programs and a further 7,181 registered with the Conservatory of Music and Speech Arts. The demand for academic programs continued to exceed the College's capacity.
- In April, Mount Royal College re-established its presence in downtown Calgary, opening the Downtown Campus. In doing so, MRC returned to the central city location it first occupied 75 years ago. The College reached out to students, making classrooms more accessible, while also relieving some of the acute space pressure at the Lincoln Park campus.
- An increased commitment to investigating and implementing recently refined technological delivery methods has resulted from the demands of the information age, bringing more computers into the classroom and allowing more students to learn at their own pace.
- Work continued on the College's $65 million facility expansion. The award of the first major contract, the Arts Addition, was followed quickly by construction, signalling the first clearly visible physical changes to the Lincoln Park campus.
- Bonds with the community strengthened, as the College maintained its commitment to community education and extended delivery of credit courses to off-campus locations. The College heritage of cultural offerings was enhanced by the development and successful first year of operation of the Mount Royal College School of Dance.

Commitment to Students

Mount Royal College is committed to helping students to reach their maximum potential, providing career training, professional upgrading, academic programs and courses for personal fulfillment. In 1984-85, that commitment was reflected in the College's ongoing renewal of academic offerings and greater understanding of the needs of learners. The synthesis of traditional delivery methods, high tech hardware and software programs, and creativity has resulted in innovative programming for the College.

The ongoing process of academic renewal maintains currency in academic programming, ensuring students are prepared for today's workforce. In 1984-85 many courses and programs were scrutinized as part of the evolution of the academic program base. Advisory committees, composed of members of the business community, educators, students and alumni, again played an integral role in furthering program development.

Economics continued to play a major role in student decision-making processes in 1984-85. Realizing the importance of a sound educational base, more students than ever chose to complete their College programs of study, as seen in the large number of continuing students who register each semester. Issues such as accessibility and course transferability became more important, as students began to look upon Mount Royal College as a stepping-stone to new fields of endeavour and other educational institutions.

An educational institution cannot ignore the environment in which it operates, and Mount Royal College rose to meet the challenges presented by the information age, increasing the number of microcomputers on campus and emphasizing their use in all facets of College operation. The Microcomputer Instructional Centre saw an almost threefold increase in use during 1984-85, and heavy demands were once again placed on the Library. While in the past three years enrolment has increased by 19 per cent, Library circulation has increased by 25 per cent. Service has expanded to include microcomputer software for faculty, and interlibrary loans numbered more than 1,300.

Computers and computer applications are standard fare at Mount Royal College. In all faculties, further development of CAL/CML applications is under way, and major strides were taken in 1984-85. The institution has established a new Instructional Technology Applications Reserve Fund and has committed an initial $150,000 to ensure continued advancement in the field.

Mount Royal College's response to learner needs in 1984-85 resulted in new endeavours:

- The opening of the Downtown Campus re-affirmed the College's commitment to reach out from its south-west Calgary campus. The downtown location recognizes

REGISTRANTS IN CREDIT PROGRAMS, 1975-1985

	'84-85	'83-84	'82-83	'81-82	'80-81	'79-80	'78-79	'77-78	'76-77	'75-76
Fall	5,299	5,439	5,471	4,738	4,650	4,325	4,305	4,372	4,040	4,401
Winter	5,365	5,076	5,314	4,755	4,221	4,012	3,821	3,733	3,694	3,797
Spring/Summer	1,485	1,250	1,551	1,216	901	760	796	712	629	338
Total	**12,149**	**11,765**	**12,336**	**10,709**	**9,772**	**9,097**	**8,922**	**8,817**	**8,363**	**8,536**
FTE [1]	4,626	4,622	4,597	3,920	3,693	3,441	3,450	3,439	3,228	3,362
% Change	+0.1	+0.5	+17.3	+6.1	+7.3	-0.3	+0.3	+6.5	-3.9	+3.4

REGISTRANTS IN NON-CREDIT PROGRAMS, 1978-1985

	'84-85	'83-84	'82-83	'81-82	'80-81	'79-80	'78-79
Continuing Education and Extension	20,005	15,813	15,181	17,782	11,805	—	5,843
Conservatory of Music and Speech Arts [2]	7,181	7,114	6,584	7,063	4,991	—	4,367
Total	**27,186**	**22,927**	**21,765**	**24,845**	**16,796**	**—**	**10,210**

Notes:
1. These figures have been rounded for consistency in table format (i.e. FTEs are normally displayed with one decimal point). "Headcount" figures which are represented in the "Registrants" colum are integer figures. FTE based on 80% of a normal hourly load.

2. During 1981-82 the Conservatory adopted a two-semester registration system. A significant portion of registrants are the same people in both semesters, therefore, figures for 1981-82 and previous years cannot be compared directly. Actual registrations include on-campus registrants, branch studio registrants, as well as examination registrants.

that 70 per cent of College students come from the west side of the city, with 30 per cent coming from the east side and only nine per cent living in the north-east quadrant. The 32,000 sq. ft. facility affords classrooms, meeting areas and "staging space" to accommodate planned moves during the renovation phase of the expansion project.

• The establishment of the Office of Credit Extension and Part-Time Studies within the Faculty of Continuing Education and Extension is evidence of the popularity of credit extension programming. Demand for extension of credit courses, from both outside groups and within the College, rapid developments in educational technology affecting distance delivery, increasing enrolments in non-credit courses, the opening of the Downtown Campus, the growing need to respond to the special needs of part-time adult students, pressure to offer courses and programs on the city's east side, and the size of spring and summer terms played roles in the decision to create the Office.

• The Canadian Centre for Learning Systems (CCLS), a partnership venture involving Mount Royal College, the University of Calgary, Southern Alberta Institute of Technology, the public and separate school boards, and three computer companies, was establishd in the fall of 1984. A non-profit organization to provide the setting for the development, evaluation and use of learning systems, with computer assisted learning (CAL) as its main focus, CCLS will eventually give everyone interested in CAL, initially in Calgary and eventually across Canada, access to data bases, library materials and on-line educational materials.

• Program development in the Faculty of Continuing Education and Extension emphasized professional upgrading, with several new course offerings featuring applications of computer technology.

• In the community, the College is an active participant in the South West Arena Society, an association of community groups working towards establishing a new Olympic-sized twin arena in southwest Calgary. Combining private and provincial funding, the new arena, to be located near the College, will become the home of the Mount Royal College Cougars hockey team.

While the College's commitment to students is clearly evident in classroom activities, a great deal of the support which the College provides is not readily apparent. To assist students to reach their potential, the College maintains an extensive student financial aid program, and support services ranging from career and job assistance to personal counselling. In 1984-85 the College's Financial Aid and Awards Office administered almost $8.5 million in student loans, grants and bursaries. More than 2,500 students received loan assistance and the College awarded more than 400 scholarships, totalling more than $275,000, in recognition of academic achievements.

The Career Resource Centre, which advises students on career avenues and schooling options, experienced a 37 per cent increase in use. The Student Employment Centre recorded a 69 per cent increase in the number of job referrals and a 35 per cent increase in the number of placements secured. The number of students receiving assistance in their job search increased by a dramatic 190 per cent.

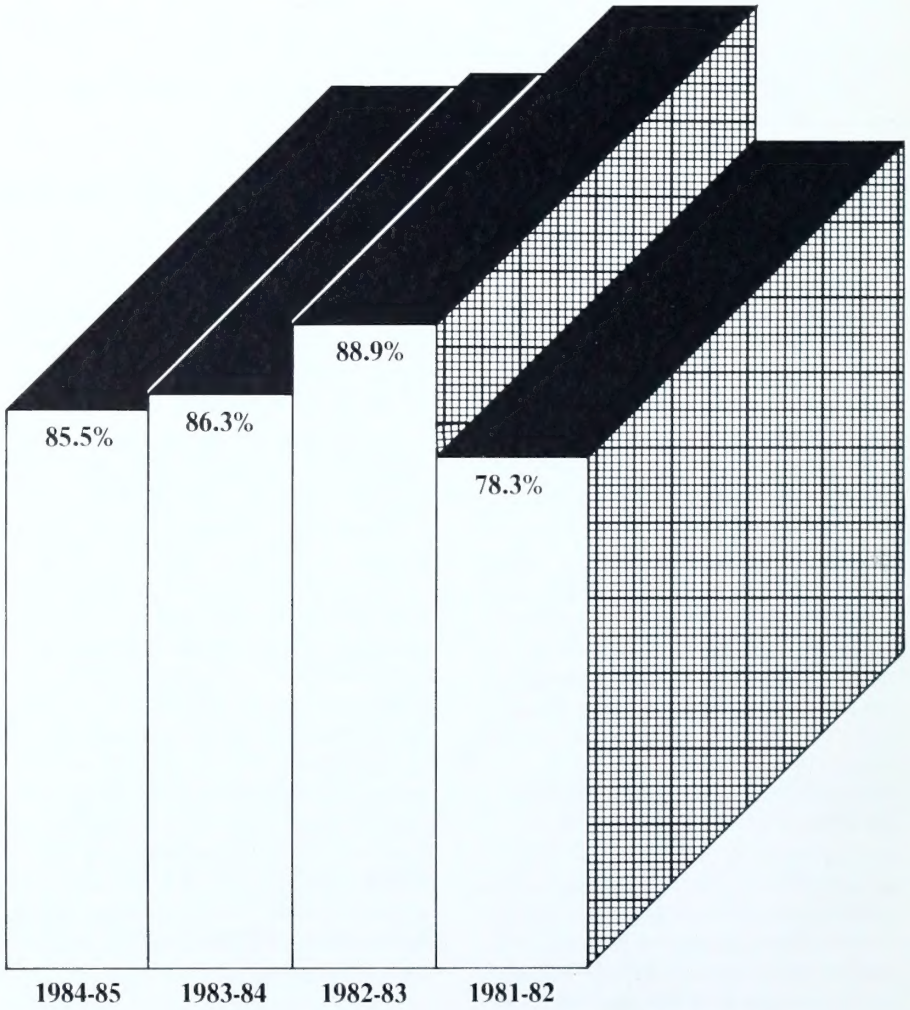
Commitment to Community

Excellence in education is a goal which Mount Royal College cannot refuse, nor can it refuse to play an active role in the community. In 1984-85, the College continued its community education services and strengthened its partnerships with business organizations and educational institutions. Work began in earnest on the 1986 national conference of the Association of Canadian Community Colleges (ACCC), an event to be co-presented by Mount Royal College and the Southern Alberta Institute of Technology in May 1986. The breadth of its community service is reflected in continuing education offerings, notably its Cardio-Pulmonary Resuscitation and

ANNUALIZED FTE BY PROGRAM TYPE, 1981-1985

	'84-85	'83-84	'82-83	'81-82
Diploma	1993.0	1993.0	1785.5	1609.6
Certificate	339.0	264.8	315.1	262.3
Arts and Science Diploma	457.9	411.8	371.7	326.2
University Transfer	716.7	731.3	772.0	561.7
Upgrading/Misc.	1119.6	1220.5	1307.4	1159.5
Total FTE	**4626.2**	**4621.4**	**4551.7**	**3919.3**

FILLED SEATS AS A PERCENTAGE OF SEATS OFFERED, 1981-1985



ENROLMENT IN NON-CREDIT COURSES

Personal Development	7,809
Physical Development	4,703
Employment Training	4,521
Fine Arts and Crafts	1,647
Home Skills	359
Family and Community	162
Other	804
Total 1984-85	**20,005**
Total 1983-84	15,181

Vocational Development Programs.

Mount Royal College also looks to the community for support, and recognizes the many donations, matching grants and gifts in kind received from the community and government. During 1984-85 the College raised more than $975,000, of which almost $500,000 was dedicated specifically to the Conservatory of Music and Speech Arts Academy of Music Program. The groundwork for a major two-year fund-raising campaign to be launched during 1985-86 was completed.

Commitment to Staff

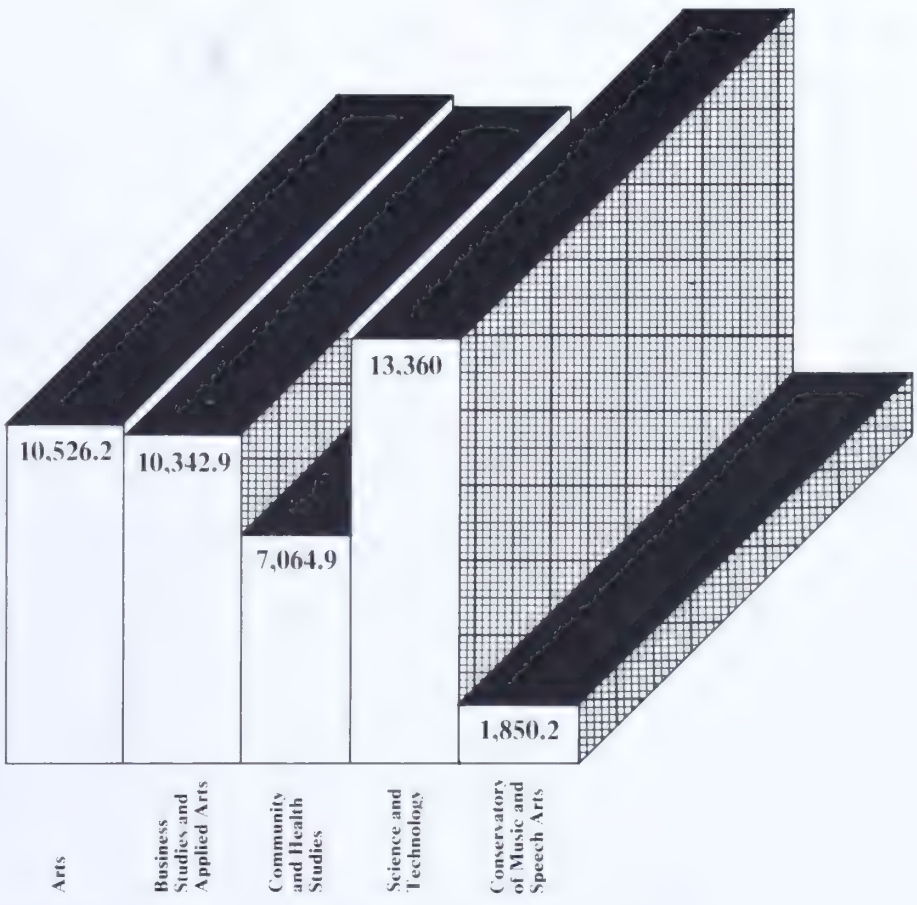
If students are the lifeblood of an educational institution, then the teachers and support staff are its backbone. The College is committed to the people who transform objectives, ideas and theories into reality, and in 1984-85 took steps to recognize the contributions of the College's many employees.

The College initiated an employee appreciation ceremony to honour long-term employees and retirees, and strengthened its Distinguished Teaching and Distinguished Service Awards program. The Human Resources Department realized the first phase of its new computerized human resources system. The College continued support of the Educational Development Centre, which provides professional development opportunities for faculty, and, in further recognition of the importance of faculty professional development activities, established a Professional Development Reserve Fund with an initial allocation of $100,000.

Commitment to the Future

The coming year will be a special time in the history of Mount Royal College. The year will mark the institution's 75th anniversary of operation, and will be a time not only for reflection, but also for evaluation, renewal and planning. On a more global front, as planning continues for the 1988 Winter Olympics, Mount Royal College will search out ways in which it can become involved in and contribute to the success of the Calgary games.

STUDENT CONTACT HOURS PER FTE INSTRUCTOR, CREDIT PROGRAMS, 1984-85



College average, all credit programs — 9,849.4 hours

PARCHMENTS AWARDED

Diplomas	659
Certificates	115
Total	**774**

In 1985-86, Mount Royal College will work towards new goals and objectives:

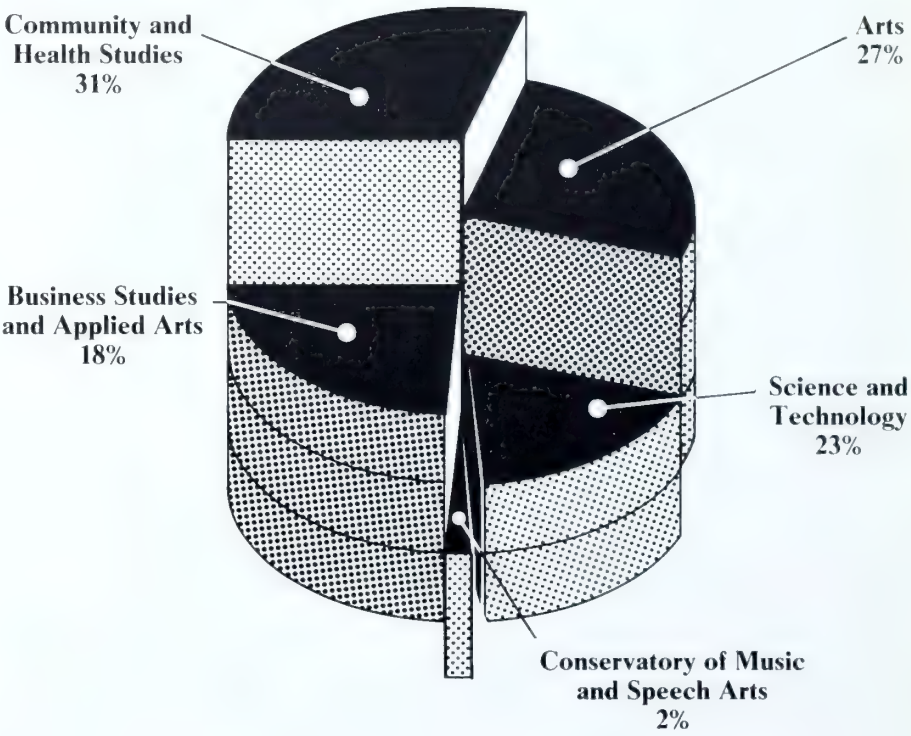
- The first major component of the expanded facility, the Arts Addition, will be completed in the coming year. As the physical nature of the campus changes, so will its character, signalling the beginning of a new phase in the College's life.
- The College will continue to strive for excellence as a community college. Its staff will continue to display extraordinary effort, and its students will recognize increasing responsibility in the education process.
- Further investigation of technology, as it pertains to in-class computer use and extension of courses into the community, will be a major focus. High tech and distance delivery will become familiar components in the overall College education package.
- Addressing the needs of students will continue to be a prime motivator for Mount Royal College. Assessing needs, evaluating program and delivery options, and mounting effective and innovative programs will be required.
- A greater emphasis will be placed on the people of Mount Royal College in 1985-86, necessitated by the rapidly changing nature of the institution and the physical adjustments planned for the near future.
- Partnerships with community and business groups and other educational bodies will continue, as the College establishes more firmly its role in the Calgary community.
- Co-operative education, programs combining in-class academic study with practical on-the-job experience, will be evaluated and steps will be taken to introduce co-op education at Mount Royal College. Its introduction will make Mount Royal College the only college in the province to offer this innovative work/study approach.

STUDENT PROFILE

Age	**#**	**%**
-20	2740	23
20-24	4912	40
25-34	3047	25
35-44	981	8
45-54	262	2
55-64	46	—
64+	6	—
Total	12,149	100
Sex		
Male	5512	45
Female	6637	55
Status		
Full-time	6530	54
Part-time	5619	46
FTE		
Full-time	3265	71
Part-time	1361	29

Notes:
1. Based on 80% of a normal contact hour load.
2. Average calculated as the sum of the semester FTEs divided by two.

PERCENTAGE OF FTE CREDIT INSTRUCTORS BY FACULTY


Community and Health Studies 31%
Arts 27%
Business Studies and Applied Arts 18%
Science and Technology 23%
Conservatory of Music and Speech Arts 2%

FOLLOW-UP SURVEY OF 1984 GRADUATES

Nine months after graduation almost three in every four 1984 graduates were employed or attending school full-time.

More than 350 students who graduated in the Spring of 1984 responded to the annual follow-up survey, conducted by the Office of Institutional Analysis and Planning approximately nine months after graduation.

The survey reveals that:

- 74 per cent of respondents were working or attending school full-time;
- 17 per cent were working or attending school part-time;
- 64 per cent had obtained full-time employment (for the first time since 1979, when the survey was initiated, the proportion of graduates going into full-time employment immediately after graduation has risen from the previous year);
- 16 per cent of male graduates and 7 per cent of female graduates were attending school full-time;
- 6 per cent of the graduates reported being unemployed;
- 86 per cent of the graduates found employment related directly to their MRC program of study;
- the median reported salary was $1,250 - $1,499 per month ($15,000 -$17,988 per annum), roughly the same as reported since 1981;
- 15 per cent of the graduates were continuing their education, and 88 per cent of the students continuing their education on a full-time basis said that their studies were related directly to their MRC studies.

FACULTY AND STAFF COUNT

Type of Staff	Full-time	Part-time		Total FTE
		Number	FTE	
Instructional	166	255	118.7	284.7
Management	43	1	1.0	44.0
Support Staff	215	549	103.1	318.1
Special Funded	7	5	2.3	9.3
Total 1984-85	**431**	**810**	**225.1**	**656.1**
Total 1983-84	440	689	221.0	661.0

Notes:
1. Excludes non-credit instructional staff.
2. Instructional support positions are classified within "Support Staff" category.
3. Special funded positions for the College Expansion Project.

FIVE-YEAR SUMMARY

(in thousands of dollars unless noted)

Gross Operating Revenue	**'84-85**	**'83-84**	**'82-83**	**'81-82**	**'80-81**
Operating grant	19,466	18,204	16,607	14,118	11,612
%	67.7	62.6	63.1	63.0	62.8
Conditional new program grants	416	1,732	1,706	796	313
%	1.5	6.0	6.5	3.5	1.7
Total provincial grants	19,882	19,936	18,313	14,914	11,925
%	69.2	68.6	69.6	66.5	64.5
Bookstore	1,309	1,135	1,158	902	729
Food Services	262	1,131	1,295	1,205	1,017
Total support services	1,571	2,266	2,453	2,428	1,958
Continuing Education	3,387	3,476	2,749	2,935	2,893
%	11.8	12.0	10.5	13.1	15.6
Tuition fees	2,629	2,553	2,089	1,487	1,353
%	9.2	8.8	7.9	6.6	7.3
Aviation flying fees	383	378	488	402	277
%	1.3	1.3	1.9	1.8	1.5
Interest and other	873	441	203	263	96
%	3.0	1.5	0.8	1.2	0.5
Total revenue	**28,725**	**29,050**	**26,295**	**22,429**	**18,502**

Gross Operating Expenditure	'84-85	'83-84	'82-83	'81-82	'80-81
Instruction	12,576	11,652	10,873	9,268	8,591
%	44.8	42.8	41.7	40.4	46.1
Continuing Education	3,749	3,950	3,844	4,380	3,534
%	13.4	14.5	14.7	19.1	18.9
Bookstore	1,261	1,051	1,076	828	711
Food services	346	1,216	1,335	1,141	1,021
Total support services	1,607	2,267	2,411	2,587	2,843
%	5.7	8.3	9.2	11.3	15.2
Academic Services	3,377	3,044	2,690	2,131	n a
%	12.0	11.2	10.3	9.3	—
Administration Services	3,334	3,513	3,656	2,314	n a
%	11.9	12.9	14.0	10.1	—
Plant operation and maintenance	2,568	2,189	2,032	1,807	1,650
%	9.2	8.0	7.8	7.9	8.9
Board and President	846	624	591	439	170
%	3.0	2.3	2.3	1.9	0.9
Total expenditure	**28,057**	**27,239**	**26,097**	**22,926**	**18,613**
Operating Surplus (Deficit) Position					
Surplus (deficit) at June 30	668	1,810	198	(713)	(111)
Percentage of operating revenue	2.3	6.2	0.8	3.2	0.6
Accumulated surplus (deficit)	522	393	(577)	(775)	(62)
Number of Students					
Registrants in credit programs	12,149	11,765	12,336	10,709	9,772
Registrants in non-credit courses	27,186	22,927	21,765	24,845	16,796
Total registrants	39,335	34,692	34,101	35,554	26,568
Faculty/Staff Count					
Instructional	421	419	n/a	n/a	n/a
full-time	166	158	n/a	n/a	n/a
part-time	255	261	n/a	n/a	n/a
Management	44	47	n/a	n/a	n/a
Support Staff	764	640	n/a	n/a	n/a
full-time	215	228	n/a	n/a	n/a
part-time	549	412	n/a	n/a	n/a
Special funded	12	11	n/a	—	—
Total complement	1,241	1,117	n/a	n/a	n/a
Tuition and General Fees					
Resident student, 10+ credits	270.50	245.50	207.90	175.25	151.25
Foreign student, 10+ credits	376.50	351.50	316.40	266.00	242.00
Learning Resource Holdings					
Books	108,744	101,068	102,560	105,827	99,377
Micromaterials	121,613	108,381	93,952	112,400	91,500
Audiovisual aids	10,823	10,226	9,450	12,702	12,219
Periodical subscriptions	1,268	1,213	1,279	1,279	1,153

Note: n/a refers to figures unavailable for comparative purposes due to changes in reporting classifications in subsequent years. For complete details see specific year's report.

FINANCIAL STATEMENTS

Auditor's Report

To the Board of Governors of Mount Royal College

I have examined the balance sheet of Mount Royal College as at June 30, 1985 and the statements of revenue, expenditure and operating surplus, reserves, equity in capital assets and restricted funds for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

Capital assets reported on the balance sheet, in the amount of $53,466,677 (1984 - $45,665,604) are overstated by an unknown amount because the College has not removed from this amount the original cost or fair market value of capital assets disposed of or considered of no further value or use. The amount reported represents the original cost or fair market value of capital assets acquired less the proceeds from the disposal of capital assets.

In my opinion, except for the overstatement of capital assets as described in the preceding paragraph, these financial statements present fairly the financial position of the College as at June 30, 1985 and the results of its operations for the year then ended in accordance with the disclosed basis of accounting, considered appropriate in the circumstances, as described in Note 2 to the financial statements applied on a basis consistent with that of the preceding year.

Douglas W. Rogers
F.C.A.
Auditor General

Edmonton, Alberta
November 13, 1985

Balance Sheet
As at June 30, 1985

Assets	1985	1984
General Funds		
Current:		
Cash and short-term deposits	$7,465,503	$5,043,866
Accounts receivable	434,879	381,439
Inventories (Note 3)	627,628	659,637
Prepaid expenses	794,136	388,334
Current portion of loans receivable (Note 4)	12,000	23,200
	9,334,146	6,496,476
Loans receivable (Note 4)	112,961	111,397
Capital assets (Note 5)	53,466,677	45,665,604
Total general funds	**62,913,784**	**52,273,477**
Restricted Funds		
Cash and short-term deposits	1,069,715	1,539,163
Investment certificates	648,032	10,032
Total restricted funds	**1,717,747**	**1,549,195**
Total	**$64,631,531**	**$53,822,672**

Liabilities and Equity	1985	1984
General Funds		
Current:		
Accounts payable	$2,420,055	$2,281,135
Unexpended capital funds (Note 6)	4,412,392	2,339,655
Deferred revenue (Note 7)	713,313	753,816
Current portion of long-term debt (Note 8)	128,786	134,568
	7,674,546	5,509,174
Long-term debt (Note 8)	253,081	381,866
Equity:		
Operating surplus	521,814	393,267
Reserves	1,379,533	840,000
In capital assets	53,084,810	45,149,170
	54,986,157	46,382,437
Total general funds	**62,913,784**	**52,273,477**
Restricted Funds		
Endowments	1,412,950	1,253,323
Held on behalf of others	304,797	295,872
Total restricted funds	**1,717,747**	**1,549,195**
Total	**$64,631,531**	**$53,822,672**

The accompanying notes are part of these financial statements.

Statement of Revenue, Expenditure and Operating Surplus

Revenue	1985	1984
Province of Alberta:		
Department of Advanced Education:		
Operating grant	$19,466,346	$18,203,746
Conditional new program grants (Note 9)	415,781	1,732,325
	19,882,127	19,936,071
Community education (Note 10)	3,386,572	3,475,597
Tuition fees	2,628,745	2,553,176
Support services (Note 11)	1,571,546	2,266,183
Interest	383,945	144,416
Aviation flying fees	382,976	378,181
Other	488,970	296,084
	28,724,881	**29,049,708**
Expenditure		
Instruction	12,576,355	11,652,033
Community education (Note 10)	3,749,156	3,949,607
Academic services	3,376,745	3,043,852
Administration services	3,333,546	3,513,129
Plant operation and maintenance	2,568,083	2,189,589
Support services (Note 11)	1,606,808	2,267,277
Board and President	846,108	624,077
	28,056,801	**27,239,564**
Excess of revenue over expenditure for the year	668,080	1,810,144
Operating surplus (deficit) at beginning of year	393,267	(576,877)
Add: Appropriation from reserves	67,013	-
	1,128,360	1,233,267
Deduct: Appropriation to reserves	606,546	840,000
Operating surplus at end of year	**$521,814**	**$393,267**

Statement of Reserves

	Balance at beginning of year	Operating Surplus Appropriations from	(to)	Balance at end of year
Academic program development	$300,000	$229,914	$(17,013)	$ 512,901
Data base development	190,000	93,965	-	283,965
Canadian Centre for Learning Systems	350,000	32,667	(50,000)	332,667
Instructional technology applications	-	150,000	-	150,000
Professional development	-	100,000	-	100,000
	$840,000	**$606,546**	**$(67,013)**	**$1,379,533**
Comparative figures, 1984	$ -	$840,000	$ -	$ 840,000

Statement of Equity in Capital Assets

	1985	1984
Balance at beginning of year	$45,149,170	$36,900,007
Add: Purchase of capital assets	7,732,788	5,144,288
Donations of capital assets	68,285	2,960,229
Increase in equity from reduction of long-term debt	134,567	144,646
Balance at end of year	**$53,084,810**	**$45,149,170**

Statement of Restricted Funds

	Balance at Beginning of Year	Add Contributions and Interest	Deduct Expenditure	Balance at End of Year
Endowments				
Principal				
Academy	$ 769,500	$ 76,850	$ -	$846,350
Scholarships	357,693	17,750	-	375,443
	1,127,193	94,600	-	1,221,793
Expendable funds	126,130	409,817	344,790	191,157
	1,253,323	504,417	344,790	1,412,950
Held on behalf of others	295,872	138,415	129,490	304,797
	$1,549,195	**$642,832**	**$474,280**	**$1,717,747**
Comparative figures, 1984	$ 965,358	$783,088	$199,251	$1,549,195

Notes to the Financial Statements

Note 1
Authority

Mount Royal College operates under the authority of the Colleges Act, Chapter C-18, Revised Statutes of Alberta 1980.

Note 2
Summary of Significant Accounting Policies and Reporting Practices

(a) General

These financial statements have been prepared in accordance with generally accepted accounting principles except that no charge is made for depreciation of capital assets (Note 2(e)).

(b) Fund Accounting

The accounts of the College are maintained in accordance with the principles of fund accounting.

For financial reporting purposes, accounts with similar characteristics have been combined into the following major fund groupings:

- General funds
- Restricted funds

(c) Inventories

Inventories of merchandise and supplies are valued at the lower of cost or net realizable value. (Note 3)

(d) Capital Assets

Capital assets are recorded at cost except for donated capital assets which are recorded at fair market value. (Note 5)

Library materials purchased since July 1, 1981 are recorded as capital assets.

(e) Depreciation

In accordance with the accepted practice of most Canadian educational institutions, no charge is made in the accounts for depreciation of capital assets.

(f) Changes in Financial Position

A statement of changes in financial position is not provided as disclosure in these financial statements is considered to be adequate.

Note 3
Inventories

Inventories are summarized as follows:

	1985	1984
Bookstore	$322,308	$334,787
Maintenance	213,910	179,592
General stores	50,803	79,138
Food services	8,127	37,112
Duplicating	32,480	29,008
	$627,628	**$659,637**

Note 4
Loans Receivable

Loans receivable are summarized as follows:

	1985	1984
Non-interest bearing housing loan to an officer of the College	$76,201	$76,201
Mount Royal Gym Club, 5% loan, secured by a chattel mortgage	42,760	51,396
Mount Royal Choral Society 5% loan, unsecured	6,000	7,000
	124,961	134,597
Less: Current portion	12,000	23,200
	$112,961	**$111,397**

Note 5
Capital Assets

Capital assets are summarized as follows:

	1985	1984
Land	$ 1,654,256	$ 1,654,256
Buildings	20,948,835	20,618,417
Furnishings and equipment	18,712,851	16,847,590
Expansion project	10,884,877	5,594,565
Library materials	1,265,858	950,776
	$53,466,677	**$45,665,604**

Note 6
Unexpended Capital Funds

	1985	1984
Balance at beginning of year	$ 2,339,655	$1,664,426
Add: Grants from the Province of Alberta:		
Department of Advanced Education		
General capital	2,785,640	2,874,804
Expansion project	6,500,000	2,900,000
1980's Advanced Education Endowment Fund	103,600	-
Interest	533,021	173,748
Proceeds on disposal of capital assets	7,685	9,311
Donations	10,146	6,300
	12,279,747	7,628,589
Deduct: Purchase of capital assets	7,732,788	5,144,288
Principal payments on long-term debt	134,567	144,646
	7,867,355	5,288,934
Balance at end of year	**$4,412,392**	**$2,339,655**

Note 7
Deferred Revenue

Deferred revenue is summarized as follows:

	1985	1984
Tuition fees	$566,549	$586,049
Conditional new program funds (Note 9)	2,788	91,066
Community education (Note 10)	127,319	31,719
Other	16,657	44,986
	$713,313	**$753,816**

Note 8
Long-Term Debt

Long-term debt consists of finance contracts, secured by specific equipment, repayable in equal annual instalments, including principal and interest at 14% to 15.86%.

The amounts and timing of principal payments required are as follows:

1986	$128,786
1987	119,404
1988	133,677
	381,867
Less: Current portion	128,786
	$253,081

Note 9
Conditional New Program Funds

	1985	1984
Deferred conditional new program funds at beginning of year (Note 7)	$ 91,066	$ 179,556
Add: Grants from the Province of Alberta:		
Department of Advanced Education	327,503	1,607,713
Department of the Solicitor General	-	36,122
	418,569	1,823,391
Less: Revenue recognized in amount equal to related expenditure	415,781	1,732,325
Deferred conditional new program funds at end of year (Note 7)	**$ 2,788**	**$ 91,066**

Note 10
Community Education

Community education revenue and expenditure is summarized as follows:

	1985	1984
Revenue		
Short courses and other programs	$1,668,057	$1,840,665
Music and speech arts	974,758	956,413
Conditional further education programs (a)	588,255	585,288
Grants from the Department of Advanced Education	155,502	93,231
	$3,386,572	**$3,475,597**
Expenditure		
Short courses and other programs	$1,758,507	$2,039,673
Music and speech arts	1,402,394	1,324,646
Conditional further education programs (a)	588,255	585,288
	$3,749,156	**$3,949,607**

(a) Conditional further education program revenue is recognized in amounts equal to related expenditure. Deferred conditional further education program funds at June 30, 1985 of $127,319 (1984 $31,719) are included in deferred revenue. (Note 7)

Note 11
Support Services

Support services revenue and expenditure is summarized as follows:

	1985	1984
Revenue		
Bookstore	$1,309,640	$1,135,545
Food services	261,906	1,130,638
	$1,571,546	**$2,266,183**
Expenditure		
Bookstore	$1,260,784	$1,051,068
Food services	346,024	1,216,209
	$1,606,808	**$2,267,277**

Note 12
Capital Commitment

A major expansion of the College, currently under way, is scheduled for completion in 1987-88. The estimated total cost of the project is $65,746,000 and is to be funded by capital grants from the Province of Alberta. Total project expenditures to June 30, 1985 amount to $10,884,877 (1984 $5,594,565).

Note 13
Comparative Figures

The 1984 figures have been restated where necessary to conform to 1985 presentation.

Note 14
Approval of Financial Statements

These financial statements were reviewed by the Finance and Property Committee and were recommended for approval by the Board of Governors.

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